



Spoken

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CITIZENS FOR ECONOMIC OPPORTUNITY
Corporate Responsibility Campaign

S.B. 5 – An Act Concerning Changes to Campaign Finance Laws and Other Election Laws

My name is Karen Schuessler and I am the Director of Citizens for Economic Opportunity (CEO). CEO is a coalition of community and labor groups addressing health care reform and corporate responsibility issues.

I strongly support S.B. 5 and favor increased disclosure by adopting comprehensive disclosure requirements that will provide for public disclosure of campaign related spending by corporations and other covered organizations.

The Citizens United Supreme Court case struck down previous limitations on outside spending making it easier for corporations and advocacy organizations to make hidden and unlimited election expenditures through front organizations. The floodgates have been opened to allow large corporations to buy millions of dollars worth of television ads and they do not have to reveal who is paying for the ads. Organizations outside of an official campaign are allowed to run ads, make phone calls and provide other support to a campaign which makes it much harder for citizens to know who is behind it. The electorate needs to know who is paying for political advertising before an election so voters can make better informed decisions when they vote. For example ads about cigarette taxes may be seen as more or less reliable if you know they were paid for by an anti-smoking group or a tobacco company. In addition, when special interest groups spend large amounts of hidden money, it becomes easier for them to threaten political retribution to lawmakers when they don't vote their way.

A Public Citizen (a Washington, D.C. nonprofit organization) report entitled, "Outside Money Takes the Inside Track," states that outside groups surpassed candidate spending in four out of the ten most expensive U.S. Senate races in 2012. The 2012 election was the most expensive in history as groups spent more than \$1 billion on federal elections and outside groups spent more money in the 2012 election cycle than the past four cycles combined. That is why it is critical that each entity that makes outside expenditures report how much was spent on each candidate. A recent report by U.S. PIRG and Demos (a New York based public policy organization) found that the top 32 donors to super PACs combined exceeded the total giving of the 3.7 million small donors who gave to the Obama or Romney campaigns. In addition, a recent Public Citizen report found that in the 2004 elections, 98% of outside groups disclosed the names of donors who paid for their political ads and in 2010 only 32% did so.

Mike McIntire, a reporter for the New York Times, reported in 2010 how difficult it is to follow the money without disclosure rules strongly enforced by the government. Mr. McIntire explained that after his extensive investigation into the backers of the "Coalition to Protect Seniors" led him to P.O. boxes and unanswered emails, it appeared as if the health care industry might be behind an ad the group ran attacking the president's health care plan.

Disclosure of money raised and spent in elections has been the bedrock of our political system for many years. Transparency and disclosure in elections are so important because they help to ensure that the balance of power is not shifted to the rich and powerful. Passing S.B. 5 would be a giant step in the right direction by providing more transparency in our election process. It would also help ensure that people and their ideas are deciding elections, not corporations and their money.

Opposition to S.B. 1146 – An Act Concerning Cross-Endorsements

CEO opposes S.B. 1146 because by eliminating cross-endorsements of candidates, it diminishes the choices people have. Some voters do not feel the two major parties (Democrat or Republican) represent their interests and prefer minor party candidates. Minor parties can serve to increase voter turnout and by allowing cross endorsement, the minor party candidates can make their voices heard and not worry about being a Ralph Nader spoiler and electing the candidate furthest from their ideology.

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